# GOVERNMENT OF INDIA
# AGRO AND RURAL INDUSTRIES
# LOK SABHA

UNSTARRED QUESTION NO:3880
ANSWERED ON:17.04.2002
SHIFTING OF KVIC
T.T.V. DHINAKARAN

**Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:**

(a) whether it is a fact that the Khadi and Village Industries Commission (KVIC) has shifted to `Project Based Approach` from`Pattern Based Approach`;

(b) whether the traditional village industries will continue to get financial assistance as before; and

(c) if so, the details thereof?

## Answer

THE MINISTER OF AGRO AND RURAL INDUSTRIES ( SHRI KARIYA MUNDA )

(a): Yes, Sir.

(b) & (c): Yes, Sir. Under the Rural Employment GenerationProgramme (REGP), the Khadi and Village Industries Commission (KVIC) provides 25% margin money for project costing upto Rs. 10lakhs and 10% for project costing over and above Rs. 10 lakhs upto Rs. 25 lakhs. Higher margin money @ 30% is being provided toSC/ST/EX-Servicemen/ Women/ Minority/ Physically Handicapped, OBCbneficiaries and all the beneficiaries of North Eastern Region,Andaman & Nicobar Islands, Lakshadweep and Sikkim State. The KVIChowever, has not been conceived as a financial institution. It is a promotional and facilitating organization and, therefore, institutions/entrepreneurs are encouraged to take loans from Banks.